March 27, 1974

SENATOR KREMER: All right, my next question....

SENATOR DE CAMP: That's with the liquor tax.

SENATOR KREMER: What we are doing here decriminalizing the victim of alcohol and treating him as a person who has a disease. All right, can he be covered under Blue Cross or any other kind of insurance?

SENATOR DE CAMP: The insurance, that's one of the aspects that I said, one of the far-reaching effects of the bill. The insurance companies by virtue of the fact that this is now a disease would be obligated to make payments. For treatment.

SENATOR KREMER: Then what would the fiscal note, if it's not two million dollars, what would it be used for?

SENATOR DE CAMP: Programs, development of centers, in hospitals for example they would hopefully set up a special area or a special de-tox center. Things like this. One million dollars is probably not adequate. One million dollars is the amount that can reasonably be raised by a tax on liquor and it was thought that if this money had to come out of the General Fund, the bill wouldn't even have two votes. But the alcoholism industry should be paying the bill....the cost of the bill.

SEATOR KREMER: That answers my question, thank you.

PRESIDENT: Senator Kremer, Speaker Proud, we're speaking on just the Barnett amendment.

SPEAKER PROUD: Well, I think the Barnett amendment includes this insurance business, right, Senator Barnett? Yeah, I've got it here. I've got a passing interest of the insurance business. This one amendment, as I read it, and I think Senator Barnett will agree with me, says that an insurance company has to insure an alcoholic and now I'm putting that a little generally, but the point is, if an insurance company insures somebody, and they become an alcoholic or are an alcoholic and they go to the hospital for treatment, the insurance company has to pay. In accordance with the policy, the policy has to cover them. Now the reason that this is a trifle, if not completely ridiculous, is why should an insurance company have to pay for alcoholism. Now, an insurance company can any time it wishes cover alcoholics. That's their option. And a person can buy a policy that has that provision, I presume, if any company wants to issue it. But I don't see where an insurance company should be forced to cover alcoholics. Now another fault with that is you have to understand the effect of this is that all the non-alcoholic insureds have to pay for the alcoholic. Now why should a person who's not an alcoholic have to pay the premium for an alcoholic?

(End of Belt 12B)